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SUMMARY RECORD OF THE 51st MEETING

Chairman:	Mr. SENGWE	(Zimbabwe)
later:	Mr. STEIN (Vice-Chairman)	(Germany)
later:	Mr. SENGWE (Chairman)	(Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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ADDRESS BY THE SECRETARY-GENERAL

ORGANIZATION OF WORK

The meeting was called to order at 10.10 a.m.

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AGENDA ITEM 140: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACEKEEPING OPERATIONS (continued)

Gratis personnel provided by Governments and other entities (continued)
(A/51/688 and Corr.1 and A/51/813)

1. Mr. GODA (Japan) said that his delegation recognized the critical importance of the issue of gratis personnel to the future of the United Nations. The practice of accepting gratis personnel had expanded in recent years and in-depth consideration should therefore be given to the impact which that practice was having on the international character of the Organization and its personnel policy, including the need to achieve geographical and gender balance within the Secretariat.

2. There was need for a reaffirmation of the principle that activities mandated by the General Assembly, the Security Council or other legislative bodies should be carried out by United Nations staff who had been selected from an international pool of applicants on the basis of criteria determined by the Charter with the aim of securing the highest standards of efficiency, competence and integrity. Japan was concerned about the current situation in which a substantial number of persons who had been nominated by their Governments but who were not United Nations staff governed by the Staff Regulations and Rules were working in the various Secretariat departments and, occasionally, were even carrying out decision-making functions.

3. He agreed with the Secretary-General's proposal that the use of gratis personnel should be restricted to those exceptional situations in which the required specialized expertise was not available in the Secretariat, and then only for a limited period of time. In such cases, the status, duties and responsibilities of the personnel in question should be made clear. In that connection, the guidelines for the acceptance of gratis personnel, which were attached to the Secretary-General's report, provided a useful basis for the Committee's consideration of the matter.

4. His delegation noted that the Advisory Committee on Administrative and Budgetary Questions also endorsed the use of gratis personnel to fill posts financed under the regular budget in cases of urgency or in order to provide the necessary expertise for very specialized functions. It also found merit in the Advisory Committee's view that all posts must be fully reflected in the relevant budget and provision made for them. It would not always be easy, however, to reflect the posts of gratis personnel in the budget documents, particularly in the case of the regular budget, which was prepared 12 to 24 months before the budget was implemented. It was also difficult to understand why, once a post had been reflected in the budget and staffing table, it could not be filled by a regular staff member selected by the United Nations from applicants from any Member State rather than by gratis personnel nominated by a Government. While his delegation appreciated the generosity of sending Governments which agreed to pay the direct costs of gratis personnel, it was not fair for the entire membership of the Organization to share the indirect costs entailed by the use of such personnel.

5. With regard to type I gratis personnel, it was his understanding that three types of personnel under that category were managed within the established system under the relevant rules and regulations. Type I personnel should therefore continue to be utilized in strict accordance with the relevant policy, rules and regulations and should not be used as a substitute for regular staff.

6. Ms. ARAGON (Philippines), associating her delegation with the statement made by the representative of the United Republic of Tanzania on behalf of the Group of 77 and China, noted that the Secretariat had been resorting to gratis personnel since the onset of the financial crisis and increased budgetary constraints. Her delegation agreed with the Advisory Committee's view that gratis personnel should not be sought for positions that were being kept vacant solely for financial reasons, nor should type II gratis personnel be accepted in excess of the needs of the Organization. She also agreed that the relevant budgets of the Organization must be prepared on a full-cost basis. All human resource requirements that were necessary to fully implement mandated activities must be fully disclosed and justified and must be funded in the manner agreed by the General Assembly.

7. Her delegation had also noted that the growth in the number and scope of the functions entrusted to type II gratis personnel had raised many concerns among Member States. For example, the large concentration of such personnel in a single department had adversely affected the international character of the Organization and the geographical distribution of staff in favour of a few developed Member States. Her delegation agreed that the situation must be addressed and the imbalance corrected.

8. Gratis personnel should not occupy senior posts, especially at the policy-making levels. As stated in the Secretary-General's report, gratis personnel were not staff members of the Organization and therefore not accountable to the Secretary-General. They were not subject to Article 100 of the Charter or to the Staff Regulations. At a time when Member States were seeking greater accountability of staff members at all levels, they could not expect subordinate staff to be held accountable when their supervisors were not

accountable to the Secretary-General. There should be a system of performance evaluation for gratis personnel.

9. Her delegation believed that, as a matter of policy, gratis personnel should not be employed in areas which were considered to be sensitive. For example, gratis personnel had been accepted in areas such as procurement. Such arrangements might cause a conflict of interests.

10. Her delegation was disturbed that, according to the Secretary-General's report, some Governments, when approached by the Secretariat to submit candidates for recruitment against vacant posts as United Nations staff, had instead indicated that they preferred to contribute gratis personnel. It should also be noted that some Member States in arrears were willing and able to provide gratis personnel, while their legal financial obligations to pay their assessed contributions in full, on time and without conditions went unfulfilled.

11. The issue of support costs in the recruitment of gratis personnel needed to be addressed. The Advisory Committee had offered some possible solutions to the problem which would need to be examined carefully.

12. Mr. JONAH (Sierra Leone) said that the Secretary-General's report on gratis personnel provided by Governments and other entities (A/51/688 and Corr.1) presented the facts in an honest manner and, together with the report of the Advisory Committee on the same subject, provided a useful basis for a meaningful exchange of views in the Committee.

13. He agreed with the views expressed by the delegation of the United Republic of Tanzania on behalf of the Group of 77 and China, but felt that some representatives who had defended the practice of gratis personnel were missing an important issue. While he did not wish to impute any motives to those Governments which provided gratis personnel, he believed that the growing practice was inimical to the long-term interests of the Organization. It was therefore important for the Committee to deal comprehensively with the problem and not succumb to facile and superficial solutions.

14. He drew attention to the fact that those States which called incessantly for increased staff reductions were the key proponents of the practice of gratis personnel provided by Governments. The answer to that apparent contradiction had been suggested in a recent editorial in The New York Times which had stated that one of the principal tasks of the newly elected Secretary-General was to abolish permanent contracts. The pursuit of such a policy would be a dangerous development for the Organization and for the developing countries in particular and would violate the provisions of the Charter. That was all the more reason why the issue should be tackled head on and an acceptable solution found.

15. Mr. VARELA (Chile) said that the increase in the number of gratis personnel provided by Governments and other entities was a phenomenon linked to the Organization's financial crisis. His delegation shared the concern of other members over the impact which the disproportionate use of gratis personnel, particularly type II personnel, was having on the international character of the Organization.

16. Efforts to strengthen the Organization and its most valuable resource, a highly qualified international staff, were being undermined by a practice which was at odds with the fundamental principles of the United Nations, including the basic rules of the accountability of staff. There was therefore an urgent need for adequate regulation of a pool of personnel resources which had proved to be very valuable and, in particular cases, essential to the success of some of the Organization's most important activities.

17. In that connection, both the report of the Secretary-General and that of the Advisory Committee contained proposals which could form the basis of an appropriate, fair, equitable and transparent policy that would contribute to the strengthening of the international civil service and to the standard-setting function of the General Assembly. In that respect, his delegation fully endorsed the recommendation contained in paragraph 18 of the Advisory Committee's report. It also shared the view expressed in paragraph 10 of that report that the programme of work and the mandates approved by Member States must be financed in the manner determined by the General Assembly. If the resources were inadequate, however, it was incumbent upon the Secretary-General to propose options to the General Assembly for the necessary action. His delegation also agreed with the Advisory Committee's view that gratis personnel should not be sought for positions kept vacant solely for financial reasons.

18. Mr. Stein (Germany), Vice-Chairman, took the Chair.

19. Mr. Bong Hyun KIM (Republic of Korea) said that the Organization's current methodology for accepting gratis personnel resulted in geographical imbalance and a lack of transparency in the process of recruitment, particularly of type II personnel. It was a matter of concern that developed countries currently accounted for 80 per cent of gratis personnel, in contravention of the principle of equitable geographical distribution. His delegation was further concerned that gratis personnel had been recruited on an ad hoc basis and that agreements between the United Nations and donor countries had been applied only in a limited number of cases. That practice impeded transparency in the recruitment process of gratis personnel and undermined the Secretary-General's accountability.

20. While gratis personnel had played a valuable role in advancing the implementation of approved activities, particularly in the current climate of budgetary constraint, his delegation concurred with the Advisory Committee's view that gratis personnel should not be sought solely for financial reasons but should be recruited to enhance the efficiency of the United Nations by bringing experts with needed skills and experience into the organizational fold. If further developed, current arrangements could become an invaluable part of the Organization's human resources management system. The Secretary-General should therefore conduct an in-depth study into procedures governing gratis personnel with a view to redressing its disadvantages and maximizing its utility.

21. His delegation supported the Advisory Committee's recommendation that the Secretary-General should consult with Member States in formulating appropriate guidelines for gratis personnel on the basis of the proposals put forward in annex 1 to his report (A/51/688 and Corr.1). The guidelines should include a strict review of candidates' qualifications and experience, specific job

descriptions for newly acquired personnel, and the application to gratis personnel of the Secretariat's performance appraisal system. Comprehensive and detailed guidelines would help to dispel the concerns associated with the current practice and enhance the benefits of gratis personnel.

22. Mr. BEKTAŞ (Turkey) said that his Government considered the provision of gratis personnel to the Organization as donations in kind aimed at meeting specific expertise needs under circumstances of budgetary or time constraints for the accomplishment of particular missions. Turkey had every confidence in the integrity, impartiality and professionalism of all gratis personnel. The concerns that had been expressed that gratis military officers would remain on their respective Government's payroll, thereby jeopardizing their impartiality, or that they would be more receptive to instructions from their Governments rather than from the Secretary-General were unfounded and cast a shadow on the impartiality and integrity of the more than one million military personnel who had so far served in peacekeeping operations to the full satisfaction of Member States. It was difficult to understand why a small number of selected military professionals of high calibre should compromise their integrity and impartiality while over a million of their fellow professionals had not.

23. He was surprised by the statement in paragraph 11 of the Secretary-General's report that gratis personnel were not accountable to the Secretary-General. To his knowledge, the four gratis military officers in the Department of Peacekeeping Operations who had been provided by Turkey and their fellow officers of the same status worked under the command of supervisors within the established United Nations hierarchy and were accountable to their superiors for the work they performed. Furthermore, the Military Adviser to the Secretary-General provided the Turkish Government with annual performance evaluation reports for the Turkish officers. Also, the Military Adviser, along with the immediate supervisors of gratis military personnel, ensured that the latter complied with United Nations rules, code of conduct and military discipline.

24. The Organization should be able to continue to utilize gratis personnel on an as-needed basis to provide services not traditionally available within the United Nations system and Member States should not attempt to restrict the Secretary-General's acceptance of gratis services. Turkey accepted that the agreement between the United Nations and the donor Government or other entity must be signed prior to the acceptance of gratis services. The donor's responsibility for ensuring the individual's compliance with the applicable standards of conduct rendered unnecessary the signing of an undertaking by the individual.

25. Setting a pre-established limit for the length of services assumed that it was known well in advance exactly how long the gratis services would be needed. In practice, such a limit might restrict the use of specific expertise or lead unnecessarily to premature termination of services. Turkey was of the view that gratis services should last about two years with extensions as necessary. That should not prevent the termination of the gratis service agreement, however, when the services were no longer needed.

26. Donors should be responsible for the remuneration, medical, pension, life insurance and other social security benefits of the individual, with the

exception of compensation for death or disability. Disability or death was a rare but traumatic occurrence and it was the moral responsibility of the Organization to provide or at least to contribute towards the compensation of victims or their survivors. The programme support costs to be charged to the donors at the rate of 13 per cent of the services provided were unrealistic. Those costs would inevitably be incurred by the Organization irrespective of whether the programme in question was carried out by gratis personnel or not. That particular provision should therefore be removed from the guidelines.

27. Mr. GREIVER (Uruguay) said that his delegation shared the concerns of the Group of 77 and China regarding the use of gratis personnel. While acknowledging the valuable role such individuals played in areas where staff members lacked necessary expertise, gratis personnel should certainly not replace international civil servants. Nor should they be allowed to undermine the principle of the widest possible geographical distribution of staff.

28. The situation in the Department of Peacekeeping Operations was particularly alarming since there appeared to be no connection between troop-contributing countries and those responsible for administration in the Department. In other words, those countries with the most resources were the only ones in a position to provide gratis personnel, thus violating the right of nationals from all Member States to aspire to posts in the Organization, as well as undermining equitable geographical distribution.

29. His delegation attached great importance to the specifically international character of United Nations staff. With that in mind, the number of gratis personnel employed by the Organization should be regulated and ways should be found to tackle the problem of the disproportionate number of such personnel engaged in peacekeeping operations.

30. Ms. WATERS (President of the United Nations Staff Committee and the Coordinating Committee of International Staff Unions and Associations) said that the staff unions and associations of the United Nations Secretariat had noted that the Fifth Committee had debated the issue of gratis personnel with great concern, sincerity and a true desire to achieve a mediated solution of the problem. At the previous session of the General Assembly, she had made a presentation explaining the importance that the staff unions and associations attached to the continued independence and integrity of the international civil service. Since that time, the new Secretary-General had stated that there was a need for Member States to reaffirm their commitment to the principles of the United Nations.

31. The staff looked to the Member States for leadership, guidance, and for a clear statement of principles and priorities that would enable the Secretary-General to establish appropriate policies and goals. On the issue of gratis personnel, the staff were seeking clear guidelines based on what they knew about the type II gratis personnel and how their presence conflicted with the Charter.

32. Gratis personnel should not perform work that could be performed by staff members. Gratis personnel should not perform confidential or sensitive functions. But, the Fifth Committee had learnt that gratis personnel were

indeed carrying out such functions. The Secretariat had resorted to that practice because of the lack of resources to implement mandates.

33. The staff unions and associations did not question the integrity of the individuals involved, nor the motives of the donor countries. Their main concern was the impact of gratis personnel on the international civil service. Everybody performing functions for the United Nations should do so on an equitable basis and with complete commitment and accountability to the Chief Administrative Officer.

34. Regarding the creation of an Arbitration Board, it would be difficult to ensure the impartiality of the arbitrators if they were recruited externally and paid by the Administration. The same was logically true of gratis personnel. Despite the high calibre of their work and the benefits they could provide to the Organization, their loyalties would logically lie with those responsible for their remuneration.

35. The greatest impact of the use of gratis personnel could not be clearly quantified, namely the demoralization of international civil service on being told time and time again that it was unable to meet the Organization's needs. The staff unions and associations had long been advocates of assessing both the short- and long-term needs of the Organization and sharing that assessment with the international civil service. Such an approach would allow everybody with a stake in the Organization to understand the direction it was taking, and to prepare themselves for the skills that would be required in the future.

36. On hearing that gratis personnel provided a service that was not readily available among the international civil service, the staff unions and associations had emphasized the fact that Member States did not fully understand the capabilities and talents of the international civil service. In the area of Mission activities, a readily available resource - the Field Service staff - had yet to be fully tapped. It was difficult to comprehend a situation in which staff were told that there was no work for them to do when gratis personnel were recruited on a wholesale basis. Mixed messages of that kind made it difficult for staff to understand the Organization's priorities and focus.

37. In a number of cases that had been identified and discussed in the Fifth Committee, individuals who had been thrust upon the Organization as gratis personnel had subsequently become eligible for established posts when such posts became available. The staff appealed to Member States to protect the international civil service, and to show by their words and actions that they continued to support the mission enshrined in the Charter. The replacement of international civil servants with gratis personnel had to cease. There were no objectives that could not be quickly and efficiently met by international civil servants if the Organization would employ appropriate planning measures enabling all staff to learn the skills that would be required in the near term and adapt themselves to those needs.

38. The staff unions and associations had produced a detailed paper containing their views on human resources management which would be circulated to delegations shortly.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued) (A/C.5/51/L.44)

Draft decision A/C.5/51/L.44

39. Mr. GOUMENNY (Ukraine), Rapporteur, introduced draft decision A/C.5/51/L.44 concerning the eighth progress report on the Integrated Management Information System (IMIS), whereby the General Assembly would take note of the report of the Secretary-General, endorse the recommendations and observations of the Advisory Committee on Administrative and Budgetary Questions, and urge the harmonization of management systems within all organizations, agencies, funds and programmes of the United Nations insofar as such harmonization was cost-effective. The draft decision had been agreed to by Member States in the informal consultations on the understanding that the issue of IMIS would be discussed at the forthcoming meeting of the Executive Board of the United Nations Children's Fund (UNICEF).

40. Draft decision A/C.5/51/L.44 was adopted.

41. Ms. ARCHINI (Italy) said that her delegation had joined the consensus on the draft decision on the understanding that the Committee would impress upon the Secretary-General the need for harmonization of management systems throughout the United Nations. Such an approach was desirable in that it would eliminate the different systems which currently existed. Her delegation trusted that UNICEF would take account of the draft decision adopted by the Fifth Committee.

AGENDA ITEM 135: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA (continued) (A/C.5/51/L.45)

Draft resolution A/C.5/51/L.45

42. Mr. GOUMENNY (Ukraine), Rapporteur, introduced draft resolution A/C.5/51/L.45 whereby the General Assembly would decide to appropriate to the Special Account for the United Nations Observer Mission in Liberia the amount of $12,169,600 gross ($11,838,800 net), already authorized and apportioned under the terms of resolution 50/210 of 23 December 1995 for the maintenance of the Observer Mission for the period from 1 February to 31 March 1996 and to extend the period covered by the appropriation from 31 March to 30 June 1996. The General Assembly would also decide to appropriate to the Special Account an additional amount of $17,899,000 gross ($17,544,100 net) for the operation of the Observer Mission for the period from 1 July 1996 to 30 June 1997, and to apportion among Member States the amount of $5,840,000 gross ($5,494,500 net) for the maintenance of the Mission from 1 July to 30 November 1996. An additional amount of $13,192,345 gross ($12,989,545 net) would be apportioned among Member States for operation of the Mission for the period from 1 December 1996 to 31 March 1997. The amount of $4,706,655 gross ($4,554,555 net) would be apportioned among Member States at the monthly rate of $1,568,885 gross ($1,518,185 net) for the maintenance of the Mission for the period from 1 April to 30 June 1997.

43. In accordance with the provisions of its resolution 973 (X), the General Assembly would set off against the apportionment among Member States their respective share in the Tax Equalization Fund of the estimated staff assessment income of $152,100. Finally, for Member States which had fulfilled their financial obligations to the Observer Mission, their respective share in the unencumbered balance of $13,466,400 gross ($13,443,900 net) for the period from 1 July 1995 to 30 June 1996 would be set off against the apportionment.

44. Draft resolution A/C.5/51/L.45 was adopted.

45. Mr. STÖKL (Germany) said that his delegation had joined the consensus on the resolution with reservations. The amount of every peacekeeping budget approved by the General Assembly would not be fully covered by contributions from Member States because one Member State in particular had announced its intention to reduce its assessed contribution to peacekeeping budgets to an amount which it deemed convenient. Such unilateral action would further contribute to the difficult financial situation of the Organization and in the long run jeopardize the implementation of all peacekeeping operations. His delegation believed that the Secretary-General's commitment authority in respect of peacekeeping operations would have to be adjusted to reflect predictable income level. His Government did not intend to make up the shortfall occasioned by certain Member States' refusal to pay up, nor would his Government countenance a change in its effective share of the current scale of assessments.

AGENDA ITEM 119: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/C.5/51/L.43)

46. Mr. YUSSUF (United Republic of Tanzania), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.5/51/L.43 containing elements and criteria for the consideration of the Committee on Contributions regarding the scale of assessments. The Group of 77 and China had arrived at a common position after arduous negotiations and the draft resolution before the Committee could serve as a basis for subsequent discussions on the scale. The Group was prepared to negotiate in good faith in order to work out a scale that would reflect each Member State's capacity to pay.

47. Mr. MENKVELD (Netherlands), speaking on behalf of the European Union, said that in accordance with the Committee's consensus procedure, draft decisions and resolutions were usually introduced by the Chairman or the coordinator of the informal consultations. While the European Union welcomed proposals from all Member States, his delegation wished to remind the Committee that the elements and criteria contained in draft resolution A/C.5/51/L.43 were merely part of the coordinator's summary paper which formed the basis of ongoing consultations on the matter.

48. Ms. PEÑA (Mexico) said it was true that all draft decisions and resolutions should, procedurally speaking, be introduced by the Chairman or the coordinator of informal consultations. However, her delegation wished to point out that the General Assembly was not committed to any one particular methodology for reaching decisions on administrative and budgetary questions. Her delegation welcomed input from individual States or groups of States and believed that a

substantive decision or resolution could be elaborated on the basis of a number of drafts.

49. Mr. HANSON (Canada) endorsed the view of the European Union that the best way for the Committee to achieve consensus would be to continue informal consultations on the basis of the coordinator's summary, which would include the elements listed in A/C.5/51/L.43. His delegation did not believe that the best way of reaching consensus was to multiply the number of draft documents before the Committee, but reserved the right to submit a draft decision or resolution if the need arose.

50. Mr. GODA (Japan) said that his delegation favoured working by consensus, but reserved the right to submit a draft decision or resolution on the scale of assessments at a later date.

51. The CHAIRMAN said that it was his understanding that draft resolution A/C.5/51/L.43 was currently being considered, together with other proposals, in informal consultations on the scale of assessments.

52. Mr. Sengwe (Zimbabwe) resumed the Chair.

ADDRESS BY THE SECRETARY-GENERAL

53. The SECRETARY-GENERAL said that his appearance before the Fifth Committee was in keeping with the wish of the General Assembly that there should be a timely dialogue between Member States and the Secretary-General on the process of the restructuring of the Secretariat.

54. Upon assuming the office of Secretary-General, he had undertaken to lead a thorough and wide-ranging review of the activities of the United Nations and the manner in which they were conducted with a view to reconfiguring the Organization to meet the changing needs of the world community as it moved into the next millennium. In the present era of challenge and expectation, nothing less was required of him by the Member States.

55. He had already taken measures within the Secretariat towards meeting those goals. First, he had created a Policy Coordination Group, which he chaired, to assist him in the executive direction of the Organization's work. Its composition included the heads of departments and offices within the Secretariat, as well as the heads of the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA).

56. Second, some 30 United Nations departments, offices, funds and programmes had been brought together in the principal sectoral areas of the Organization's work - peace and security, economic and social affairs, development operations and humanitarian affairs. Executive Committees had been set up in those areas, each with its own designated Convenor, to facilitate more concerted and coordinated management of the Organization's work. Those Executive Committees had executive decision-making as well as coordinating powers. The Convenors would bring to his attention issues that required his decision. In that

context, he had determined that the designation of a Special Coordinator for Economic and Social Development was no longer required.

57. To support him in his reform efforts, he had appointed an Executive Coordinator for United Nations Reform to advise and assist him in overseeing all aspects of the process that came within his purview. The Executive Coordinator also chaired a Steering Committee on United Nations Reform whose membership included senior officials representing the span of activities of the Organization, including the Convenors of the Executive Committees.

58. A Management Reform Group, focusing on furthering management reform measures cutting across the Organization, was being established within the Department of Administration and Management to replace the Efficiency Board and its working group. That group would be complemented by reform groups to be established in each department, fund and programme, to assist in pursuing internal reforms in each United Nations entity.

59. The reform agenda was being implemented on the basis of a two-track process. The first track related to those managerial initiatives and decisions which fell within the Secretary-General's authority and which could be taken immediately. The second involved the preparation of a longer-term programme of action which would incorporate those further measures within his authority, including those which he believed should be subject to consultations with and guidance from Member States; and his proposals in respect of the more fundamental issues, which could only be decided by Member States.

60. In developing his plans, he had taken careful account of the considerable body of knowledge and analysis that was now available as a result of the deliberations of Member States in the General Assembly and its relevant working groups. Account had also been taken of proposals made by groups of States and by individual States, recommendations emanating from independent commissions and other bodies, and from the valuable reports prepared by the Office of Internal Oversight Services, the Joint Inspection Unit and the Board of Auditors. He was now in a position to bring to the attention of Member States his immediate management and organizational measures.

61. It was estimated that up to 38 per cent of the resources of the regular budget were devoted to administration and other non-programme costs. That figure included the budget, finance and personnel components of the Department of Administration and Management, the administrative support costs of conference services, public information activities and other programme support costs. He was convinced that that figure was too high and that Member States would welcome an effort to redistribute resources to the programme areas. In that regard, Member States had made clear that resources saved should be made available for development activities.

62. He had therefore directed that a plan should be prepared for presentation to Member States for a reduction in the proportion of resources allocated for administration and other non-programme costs in the regular budget by one third to be achieved by the year 2000; he would make every attempt to go further.

63. Since taking over as Secretary-General, he had stressed that the promotion of development must remain central to the Organization's mission and that its work in the economic and social fields must be strengthened. He was confident that his personal conviction was widely shared.

64. The Secretariat had a central role in integrating substantive support to the concerned intergovernmental bodies, but that role was now diffused among the Department for Policy Coordination and Sustainable Development (DPCSD), the Department for Economic and Social Information and Policy Analysis (DESIPA) and the Department for Development Support and Management Services (DDSMS). He was convinced that integrating substantive support for policy formulation, analytical and normative functions, and relevant technical cooperation activities would serve to reinforce the necessary critical mass available at Headquarters for that indispensable aspect of the Organization's work and the overall effectiveness of the Secretariat. Accordingly, the three departments in question would be merged into one. Some of the functions and activities of the Department for Development Support and Management Services would be redistributed. He also anticipated that appreciable administrative savings would accrue from the consolidation. The new Secretariat arrangements should serve to bolster support for Africa's development, South-South cooperation and the sustainable development of small island developing States.

65. A priority in the reform effort should be to strengthen the coherence, quality and efficiency of the services provided by the Secretariat to intergovernmental bodies. In that regard, there was a need to streamline and strengthen technical support for intergovernmental processes. He therefore intended to establish a Department of General Assembly Affairs and Conference Services integrating the major technical support services for the General Assembly, the Economic and Social Council and their subsidiary bodies as well as conference services. The new department would lead in establishing a new way of operating conference services in the Secretariat with increased accountability for performance against clear norms and standards of quality and timeliness, and increased flexibility to deploy resources to respond quickly. While consolidation was an important means of achieving cost-effectiveness, there were some functions that needed to be decentralized to locations where they could be performed more economically. Particular examples were translation, printing and publications.

66. The tale of United Nations activities must be told with more vigour and purpose and to greater effect. To that end, he had concluded that a sweeping revamping of the United Nations public information capacity was an urgent requirement. Revamping those services would be in line with intergovernmental recommendations which had already been made. Action to implement those recommendations had not kept pace, however, with the urgent nature of the problem. There was a need to go further.

67. The reorientation of public information would be designed to have three principal effects. First, United Nations information activities would in future be geared to providing communications and outreach services to the media, non-governmental organizations and other re-disseminators, utilizing the latest media technologies and techniques. Second, the information capability of the Secretariat would be more intimately linked with and directly supportive of the

activities of the substantive departments. Third, resources would be decentralized and refocused to the country and regional levels and greater use would be made of local resources. The process of integrating those United Nations information centres serving developing countries into the Resident Coordinator's Office would be completed. He also hoped to see information coverage of all Member States that desired such coverage as a result of those changes. Towards that end, he intended to transform the existing Department of Public Information into an Office for Communications and Media Services and would initiate a detailed review and consultations with Member States.

68. The United Nations and its funds and programmes had different but related administrative, financial, personnel, procurement and other services arrangements. Common services arrangements existed only in a few areas. In support of the principle of devolving responsibility to the most effective managerial level, experience demonstrated that, in some carefully defined areas, consolidation produced considerable cost savings and other administrative benefits. He had therefore decided to initiate a close examination of existing arrangements throughout the Secretariat with a view to extending common services wherever that could result in more effective services, including the possible establishment of a common services facility.

69. Member States had made clear their wish to see arrangements put in place to secure greater integration of United Nations activities at the country level which, nonetheless, would preserve the special characteristics and distinctiveness of the various funds and programmes. In order to achieve greater coherence of planning, programming and implementation at the country level, he had directed that a number of steps should be taken. First, the position of the Resident Coordinator as the Secretary-General's designated representative for development cooperation and Leader of the United Nations Country Team should be further strengthened and enhanced. The team approach to operations in the field, under the leadership of the Resident Coordinator, must be acknowledged without reservations. Second, all United Nations funds and programmes conducting development activities in a particular country would be requested to join together, under the Resident Coordinator as leader of the United Nations country team, in the preparation of a common programme and programme-resource framework at the country level in full consultation with and in support of the Government concerned. A common United Nations Development Assistance Framework should maximize United Nations collaboration in support of country priorities. Third, the drive to establish common premises and services arrangements at the country level would be intensified. A common location would save on administrative costs to the benefit of the programme countries and would serve to encourage a daily habit of coordination, cooperation and consultation. Implementation of common services arrangements at the field level would release resources for programmes, as would further harmonization of current procurement, personnel, financial and administrative procedures. Fourth, he was asking the heads of the United Nations funds and programmes, through the Executive Committee on Development Operations, to assist him in ensuring that the selection of the leaders of their country staff resulted in a mix of skills in the United Nations country team compatible with the needs and priorities of the United Nations country activities as determined by the country concerned.

70. He expected a total commitment to excellence from the managers and staff of the United Nations. That included adhering to the highest standards of conduct. A draft Code of Conduct had now been completed. Staff representatives had been asked to review it expeditiously so that he might submit it to the General Assembly for consideration.

71. It had become urgent to stem the tide of documentation which threatened to overwhelm the Secretariat's productive capacity and delegations' absorptive capacity. He had therefore set a target of 25 per cent for the reduction in documentation produced by the Secretariat, to be achieved by no later than the end of 1998. He would review options for streamlining reporting methods and propose further measures to Member States in the near future for reducing documentation and eliminating unnecessary paperwork.

72. The foregoing actions would find reflection, in due course, in the structure and content of the Organization's regular budget. In that regard, he recalled that the regular budget had shown zero nominal growth since 1994. The regular budget appropriation for 1994-1995 had been $2,608 million. The current appropriation for the budget for the biennium 1996-1997 was $2,603 million. The overall decline of $5 million had been achieved through real resource reductions of $210 million offset by output cost pressure from inflation and foreign exchange fluctuation. For the biennium 1998-1999, the General Assembly had approved a budget outline of $2,480 million based on the same price levels used in the latest reading of the 1996-1997 budget. Accordingly, his proposed budget for the biennium 1998-1999 would contain proposals which would be around $123 million less than 1996-1997 at comparable prices and represented a real resource reduction. Assuming the continuation of present inflation and exchange rates, his goal was for the United Nations to achieve a negative nominal growth budget for the biennium 1998-1999.

73. The question of an appropriate level of staff for the Organization had become a matter of preoccupation for many Member States. It was likewise an issue uppermost in the minds of the staff. In considering that issue, it was important to define what was within his responsibility as Secretary-General and what was not. The majority of the staff of the United Nations system worked in the specialized agencies, including the World Bank and the International Monetary Fund, and other organizations, and did not come under his responsibility. Within the United Nations itself, 10,021 posts were authorized under the regular budget of the Organization and were under his direct responsibility. As a result of the severe budget reductions mandated for the biennium 1996-1997 by the General Assembly, the Secretariat currently had an effective staffing level that was 1,000 below the number of posts authorized for the regular budget. He had decided to propose for the consideration of Member States the abolition of approximately 1,000 posts in the proposed programme budget for the biennium 1998-1999. He would be guided by the reaffirmation by the General Assembly in its resolutions 50/214 and 51/222 that programmes and activities it had mandated must be respected and implemented fully and that the prerogative of the General Assembly included the authority to create and abolish posts under the regular budget. The proposed reduction in posts would contribute to a decline of approximately 25 per cent from the peak of 11,994. In that context, heads of departments and offices would be required to keep the targets set by the General Assembly on gender balance as a guiding factor in

their staffing decisions. For his part, he would continue to work together with Member States to ensure that qualified women were given the opportunity to serve in senior positions in the Secretariat.

74. He was initiating a number of action processes to implement each decision with a specific timetable and a designated action manager. The Executive Coordinator for United Nations Reforms would assist him in overseeing the setting up and functioning of those arrangements.

75. The reform measures he had initiated were designed to contribute to the transformation of the Organization into a more effective, modernized and relevant instrument at the service of the international community. They represented first steps in his reform programme. Resources would be reallocated; departments integrated; administrative costs reduced; functions streamlined; new methods of work introduced; and maximum performance demanded of all staff. The intention was to strengthen the Secretariat's capacity to deliver programmes and to redeploy resources judiciously for that purpose.

76. Reform was not an end in itself. It was a means to achieve a more effective United Nations system that better served the Member States; a leaner and more efficient United Nations Secretariat, including the funds and programmes, with simplified structures that avoided duplication and achieved greater impact; and a United Nations organization that was well-managed and more accountable for results.

77. He was aware that a number of those actions would require review by and the concurrence of Member States, particularly where there were implications for the content and structure of the programme budget. In such instances, he would refer them for consideration to the relevant bodies. He would seek to ensure that the changes that he proposed contributed to the full implementation of mandated programmes. Indeed, those proposals were intended to increase the Organization's overall capacity to implement programmes. In the event that programmatic adjustments were required, he would seek the necessary legislative authorization.

78. Enhancing the performance of the United Nations, above all, meant investing in its most important resources, namely, its staff. Over the next several months, he would be considering a series of initiatives to strengthen further the professional formation of United Nations staff to equip them with new skills and techniques, and to create work-related incentives. A United Nations staff college was being established to foster management excellence and to provide staff with refresher training over the course of their careers. It was essential that the nature of the training and incentives provided should be in line with the core competencies required of the Secretariat staff. He would outline his plans in that area in his report to be issued in July.

79. He was determined that the changes he had outlined would be accomplished in a manner which renewed confidence of Member States in the Organization and revitalized the spirit and commitment of staff.

The meeting was suspended at 12.05 p.m. and resumed at 12.10 p.m.

ORGANIZATION OF WORK

80. The CHAIRMAN said that delegations would need some time to reflect on the Secretary-General's statement and suggested that they be given an opportunity to comment on it at a subsequent meeting.

81. It was so decided.

The meeting rose at 12.15 p.m.